C 2710-1

Advertising Age

Tv's "100 Best" See Magazine

© Entire contents copyright 1982 by Crain Communications Inc. All rights reserved.

$1 a copy; $40 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *February 22, 1982*

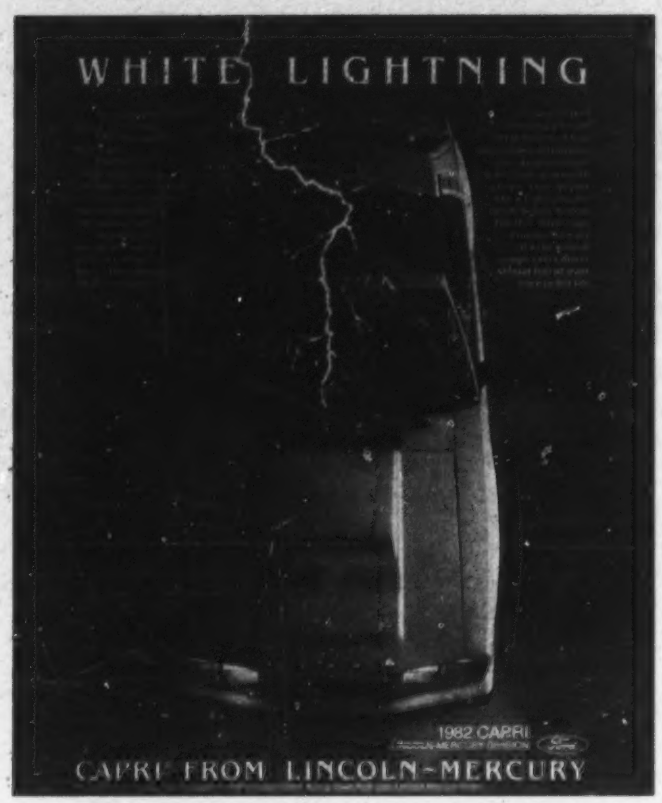
Ford joins in requests for 2% givebacks

DETROIT—Ford has followed General Motors in asking for a 2% giveback from suppliers, including ad agencies and media. The request is tied to current rebate and incentive programs.

The 2% will come from agency revenues. Ford has not said how it will ask the media to participate in the voluntary price reduction program. Ford wants it to apply to billings from Feb. 1 to July 31.

Agencies for Ford have not been as quick to comply with the request as Campbell-Ewald was with GM (AA, Feb. 8). J. Walter Thompson Co. refused to comment on its "contractual agreements" with clients. A spokesman at Young & Rubicam's Detroit office said the agency would have to study the request before it made any decision. Kenneth N. Campbell, vp and general manager of Wells, Rich, Greene in Detroit, said before Ford announced its request, "I would think if Ford were to pursue that course, they would closely watch what is

(Continued on Page 84)



Mercury flashes Ads for Mercury's new high-powered Capri break this week on the West Coast, marking the return of Ford Motor Co.'s Lincoln-Mercury division to the performance car market. *(See story on Page 6.)*

WON'T DROP SYNDICATION

Sales faked, JWT says of unit shortfall

By CHRISTY MARSHALL

NEW YORK—In order to stay afloat in its time-bank sea, JWT Group's tv syndication unit fed its computer a diet of fictitious entries totaling $24,500,000, the agency disclosed last week.

The faked sales were apparently aimed at making the unit appear to be a profit center, where sales of banked time were brisk. JWT clients lost nothing through these machinations, according to the agency.

Yet despite this agency scandal, which earlier led to the suspension of senior vp Marie Luisi, who headed JWT Syndication & TV Spot Sales, Don Johnston, chairman of JWT Group, said that he continues to believe in the concept and practice of syndication.

"We don't believe there's anything inherently wrong with syndication when you have people of integrity running the business," Mr. Johnston said. "I would do it again. It provides a service to advertisers who want to reach special markets and to independent tv stations by providing them with programing they otherwise wouldn't have."

It is also a field known to be ripe for exploitation.

After an internal audit turned up the evidence of this computerized balance sheet manipulations, JWT announced plans to take a pretax writeoff of $18,000,000. In a six-page statement captioned, "Explanations

(Continued on Page 84)

CBS, Fox giving birth to video venture

By MAURINE CHRISTOPHER

NEW YORK—CBS/Fox Inc., a $100,000,000 co-venture into cable and home video programing, is expected to be run by a six-person board with three representatives from both equal partners.

The impending birth of the new technologies' spinoff by Bill Paley's CBS Inc. and Marvin Davis' 20th Century-Fox Film Corp. was announced last week after months of prenatal care. Speculation now is rife as to whom will become chief executive of CBS/Fox.

Sources at CBS here talk of a multi-unit management structure. Shifting from parent CBS Inc., if a "definite agreement" seals this contract in 30 days or so, will be CBS Cable, CBS Video Enterprises and CBS Studio Center staffers and executives, about 250 people in all.

CBS/Fox units will include the the 6-month-old CBS Cable cultural network, a critically lauded miniservice still gushing red ink despite a respectable list of sponsors now reaching in aggregate 3,000,000 catv homes. News that the mounting startup expenses soon will be going elsewhere evoked some jubilation in the CBS/Broadcast Group, under which CBS Cable has been operating.

CBS-TV insiders describe Mr. Paley as well pleased with CBS Cable's product but horrified by the modest sales potential for such limited audiences.

While the skeletal press release made no mention of the phrase, pay tv looms as a major motivation in this deal. Sources at both companies expect movies, sports and other attractions for traditional pay and/or pay-per-view services to be given high priority on CBS/Fox's must do list. On both coasts, there have been repeated reports that CBS Cable may turn to pay-per-view offerings to soak up some of its deficit.

Twentieth Century-Fox has been looking for entry into pay cable networking ever since the courts nixed the Premiere co-venture involving four major movie producers and Getty Oil. In recent weeks the veteran movie-tv pro-

(Continued on Page 80)

N.J. 'RECORD' PLANS A.M. DAILY

If 'News' folds, rivals ready

By STUART EMMRICH

NEW YORK—Papers competing with the *New York Daily News* aren't waiting to see if that paper is either sold or folded before going through with their own plans to carve up the *News'* circulation.

Area dailies have already begun plans to expand coverage into areas served by the *News*, and at least one—*The Record*, of Hackensack, N.J.—is ready to go with a separate morning paper if the *News* folds. Staffers at the *Record* have been told that the new paper would be on the newsstands the morning after the *News* ceases publication.

Tentatively called *A.M.*, the new paper would not be a morning edition of the *Record*, but a separate newspaper described as a "clone of the *Daily News*." The prototype shows a front page that carries one large picture and a couple of headlines. Front-of-the-book pages would be devoted to international, national and local news, followed by features. Sports would be located in the back of the paper, with its own back cover.

Initial distribution calls for a pressrun of 30,000, according to estimates by insiders, with papers sold at bus terminals and train stations serving commuters on their way to New York. The first issue is pegged at 96 pages.

Record execs are hoping the paper will attract a significant number of the estimated 50,000 readers who buy a *Daily News* each day in Bergen County. The *News'* daily New Jersey circulation,

(Continued on Page 81)

NEWSPAPER

AA
DC2001&CONGLI FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

last minute news

Kal Kan eyes $20 million-plus support for Crave

VERNON, CAL.—Kal Kan Foods has started national sell-in of Crave dry cat food, now primarily in western regions. Advertising and promotional support at a national rate of $20,000,000-plus is promised in new markets. Animated spots breaking in May from D'Arcy, St. Louis, tout "real protein rich food cats crave." Couponing and trial packs are included.

Pillsbury tests toaster strudel as Pop-Tarts rival

MINNEAPOLIS—Pillsbury is introducing frozen toaster strudel into test in Phoenix and possibly other markets. The breakfast pastries are designed to compete with Kellogg's Pop-Tarts and Sara Lee's cinnamon danish, sales materials say. The product is in the frozen breakfast section of stores and comes in four flavors: Strawberry, blueberry, raspberry and cinnamon. Advertising and promotion, at a $15,000,000 national level, starts in March in prime time, daytime and late-night periods. Sunday insert coupons and direct mail coupons also support. Agency not known.

Hallmark starts Y&R's 'Give a little. . .' drive

KANSAS CITY—Hallmark has begun its new campaign from Y&R. First commercial to air portrays a woman slipping an anniversary card into her husband's suitcase as he departs for a business trip. The song carries the

(Continued on Page 8)

DIVISIONS KEY FACTOR

P&G optimistic on continuing 7.5% growth

By JENNIFER ALTER

CINCINNATI—Procter & Gamble president and chief executive John G. Smale believes the giant package goods company will continue to meet its renowned annual real growth rate of 7.5%.

A favorite topic among P&G watchers is if and how the company can accomplish this task. Though he stopped short of an outright promise, Mr. Smale, at his debut performance before the investment community here last week, was clearly optimistic on the subject. Speaking to 200 analysts and investors at the Cincinnati Society of Financial Analysts, Mr. Smale said. "That's [7.5%] what we're going to be trying to do. I think we probably will be successful. The 7.5% is a product of history. It's a little over-simplified," he continued, "but historically, we've roughly doubled our business every ten years."

As to the how of this question, Mr. Smale said that fundamental to the company's growth is its organization on a divisional basis by product category. "We believe a key element to our future growth will be continuing to manage the business with the structure of operations divisions or units that are large enough to be efficient but small enough to allow for easy communication and thorough knowledgeability about the business area involved." He pointed to

(Continued on Page 84)

Be there

"You've Got to Be There" is the theme of the Knoxville 1982 World's Fair tv campaign, featuring such scenes as the dismantling of a bit of the Great Wall of China (shipped over for the exhibit by the People's Republic) and a small boy peering into the window of a French pastry shop. Campaign hits major markets in March, via Ogilvy & Mather, New York.

Networks spring-cleaning series lineups

By JAMES P. FORKAN

NEW YORK—Even as the tv networks pore over the February sweeps results so far, the programmers are sweeping out a lot of prime time deadwood.

Most of the spring-cleaning changes being made for March-April prime time starts amount to spring-summer tryouts for fall or midseason, 1983, berths. The networks' brooms so far have swept more series into hiatus than the scrap pile, apparently in hopes that some may yet prove salvageable.

Interestingly, the top two nets, CBS and ABC, have been the most active in shuffling shows, especially since January. The sweeps data from Feb. 3 through 16 show CBS keeping its lead with an 18.5 Nielsen rating and 29 share, vs. ABC's 18.5 and 30; NBC scored a 15 homes rating and 24 audience share.

CBS started the latest round of schedule changes early last week, followed late in the week by ABC.

Tony Thomopoulos, ABC Entertainment president who has yet to decide just how long its spring tests will air, starts the "Joanie Loves Chachi" spinoff from "Happy Days" on March 23, with the parent show acting as lead-in, while the "9 to 5" sitcom inspired by the hit movie will begin April 1 at 9 p.m. (ET). Thus, "Laverne & Shirley" and "Barney Miller" will be preempted.

"Sgt. Hooker" with William Shatner will take over the "King's Crossing" spot as of March 27, with some ABC officials indicating that "Crossing," if extended, probably will not return to that time period. Looking to shore up another weak link, ABC will insert "Inside America" as a Dick Clark-hosted magazine series at 7 p.m. Sundays, preempting "Code Red" as of April 4. All these moves complement earlier ones that will bring "Police Squad" and "Bosom Buddies" to Thursdays and "Open All Night," "Best of the West" and "Making a Living" to Fridays (AA, Jan. 25 *et seq.*).

And ABC's fixes are not over yet, with its programers already mulling March-April starts for "No Soap, Radio" and "Phoenix." Coming in "late spring," ABC execs added, is an eighth tryout series, "Counterattack: Crime in America," a George Kennedy-hosted, reality-based series on crime prevention and detection.

CBS Entertainment president Bud Grant and vp-programs Harvey Shephard also have made March-April changes in stages. Having earlier this month reworked Tuesdays and Wednesdays, the network now is renovating Mondays and Thursdays. "Cagney & Lacey" will go series at 9 p.m. March 25, hammocked between "Magnum, P.I." and "Knots Landing." Using "M*A*S*H" as its Monday anchor, CBS will test "Private Benjamin" and "Report to Murphy" as the lead-off block as of

(Continued on Page 80)

highlights

Monday, Feb. 22, 1982

Budweiser beer gets put on ice in Canada as licensee John Labatt Ltd. tries to manage the product's growth. *See Page 10.*

Texas Monthly will refund a total of $12,000 to advertisers for falling 1.8% short on its rate base for the August, 1981, issue. *See Page 12.*

"Welch's squelches the thirst" in its new co-op ad campaign for its carbonated soft drink. *See Page 14.*

Hertz Corp. signs O.J. Simpson to new contract as parent RCA hunts for a buyer for the rental car giant. *See Page 20.*

Coca-Cola shows no fear of the aging as its soft drink market matures. *See Page 28.*

Brazilian adman Enio Mainardi once again is off on another adventure. *See Page 37.*

The Philadelphia Bulletin is gone, but memories of its once-famous ad slogan live on. *See Page 40.*

The sunglasses market is given a chance of improving this year. *See Page 48.*

Consumers Union's "Penny Power" aims to tell children how to judge the value of food and jeans commercials. *See Page 52.*

Faced with federal aid cuts, the National Public Radio network has made its first four "scatter buys." *See Page 58.*

Southland Corp. is trying to dispel consumer perceptions that its 7-Eleven Stores are higher priced than their competition. *See Page 58.*

The safety of kerosene heaters sparks a public awareness campaign from the Kerosene Heater Assn. *See Page 62.*

John Bernbach is succeeding in the advertising business in spite of his famous father. *See Page 65.*

Style gets the emphasis in Oldsmobile's new Firenza and rebate ads. *See Page 70.*

Sunbeam Corp.'s new parent, Allegheny International, plans to pare down the domestic consumer product line. *See Page 71.*

CORPORATE CLOSEUP

Dunlop Corp. is trying to bounce back, beginning with a new golf ball and the signing of tennis player John McEnroe. *See Page 4.*

INTERNATIONAL

The French ad industry is doing well despite dire predictions. *See Page 32.*

Magazine Question: What do Milton Berle, Dick Tracy, the Mills Brothers, Candice Bergen, John Houseman, a San Francisco cable car, a nun, a piano-playing cat, Ray Bolger and Wolfgang A. Mozart have in common? Answer: All of them are utilized in tv commercials that made ADVERTISING AGE's annual "100 Best Commercials" listing, compiled by Harry Wayne McMahan and Corwin Mack Kile. The list, which is featured in today's issue of the new ADVERTISING AGE Magazine, actually contains more than 100 commercials, but as the authors point out, it was a very good year for tv spots.

Test marketing is the subject of the Section 2 special report. Articles deal with such topics as the risks and costs of test marketing, in-house pretesting of tv shows, test marketing of new magazines and a listing of 36 recommended test markets.

Among the Magazine's features is James Brady's weekly column, which has moved from the news pages of ADVERTISING AGE.

REGULAR FEATURES

ADVERTISING MARKETPLACE	73	PRESSTIME	8
CONSIDERATIONS	15	REGIONAL NEWS	50
CORRECTIONS & CLARIFICATIONS	6	RESEARCH PEOPLE	78
EDITORIAL VIEWPOINT	16	VIDEOTECH UPDATE	56
FOR THE RECORD	83	VOICE OF THE ADVERTISER	66
MEDIAMOVES	68	WASHINGTON BEAT	24
OBITUARIES	12	WEST COAST UPDATE	77
PHOTO REVIEW	22	WORLD NEWS ROUNDUP	3

Vol. 53, No. 8—ADVERTISING AGE (ISSN 0001-8899) is published weekly except semi-weekly the third week in March, the second week in September at 740 Rush Street, Chicago, IL 60611. Second-class postage paid at Chicago and additional mailing offices.

7UP now touts no caffeine

By ROBERT REED

The Seven-Up Co. has altered marketing strategies for the mainstay 7UP brand and is highlighting, for the first time, the soft drink's absence of caffeine.

Also, some industry sources anticipate further fine-tuning of the current "Feelin' 7UP" campaign and expect those changes to be forthcoming by April. N W Ayer, New York, handles.

A flight of two new commercials featuring the no-caffeine theme is airing in major markets. While the approach is a slight departure from the action-oriented "Feelin' 7UP" tack, the new spots retain sport figures as spokesmen, but in more sedate settings.

In the new commercials, veteran spokesman-athlete Tug McGraw and Randy White, a Dallas Cowboy and the newest 7UP endorser, perform a variation of the "old shell game." Each athlete shifts three concealed soft drink cans from side-to-side before unveiling a 7UP, prompting him to say "Pick a 7UP—the one with no caffeine. Never had it, never will, just clear, crisp and clean without caffeine."

(Continued on Page 80)

Illustration by Gary Gianni

Test Marketing

Tomorrow, and tomorrow . . . whither the method?

By Cecelia Lentini

The dazzling array of goods filling supermarket shelves will continue to keep them coming back for more, of that there's no doubt. And sprinkled among the old favorites will be the new products, promising everything from crustier pizzas to shinier floors (without waxing!) to pourable quiche. If the consumer doesn't think she needs it now, just wait—she will.

This abiding hope among marketers keeps the dollars pouring in for developing, testing and launching new products. They are a measure of a company's growth and competitiveness in the marketplace.

But although companies are increasingly interested in new product development—a recently released Booz, Allen & Hamilton survey of more than 700 companies says management expects new products to contribute 40% more to profits in five years than they do now—the cost of developing those products is higher than it has ever been.

The cost of capital, in fact, coupled with the higher risks associated with failure both in the marketplace and in test marketing, is making companies take a long, hard look at how they spend test market dollars.

Though the increased pressure this puts on companies to eliminate potentially unsuccesful products in prescreening stages would seem to bode well for more test

(Continued on Page M-39)

Cecelia Lentini is a Philadelphia-based business writer and frequent contributor to Magazine/Section 2.

Whither test marketing?

(Continued from Page M-9)

marketing suppliers, their future actually looks much less sure.

For one thing, the increased emphasis on very early prescreening, according to the Booz, Allen survey, actually means that fewer new product ideas are getting past the planning stages into any sort of development or testing. For every 58 new product ideas that made it into development and testing in 1968, only seven made it in 1981.

Other statistics seem to bear this out. "New Product News", the Dancer Fitzgerald Sample monthly, reports a 3.9% growth in the number of new products introduced in 1981, down from a 10% growth in 1980. And though final 1981 figures from A.C. Nielsen Co.'s Early Intelligence System on bimonthly product introduction aren't yet in, they show that between Feb. 1 and Oct. 1, 1981, the average increased by only 2% over the same period the year before. This compares to an annual growth rate of 4% in 1979 and 12% in 1980.

More important, the number and type of test marketing services—ranging from scanners to lab simulation models to the classic instore controlled test—catering to this reduced line of new products has exploded in the past few years.

Yet, according to the Booz Allen survey, the percentage of the total development budget companies are allocating to pay for these services hasn't changed appreciably since 1968.

The survey showed that while in 1968 the average company allocated an average of 14% of its total budget to testing, in 1981 it allocated only a slightly higher 17% of that same budget to testing.

Tom Kuczmanski, a Booz Allen senior associate and program manager for the study, cautions that these figures can't be placed in a similar dollar perspective, since respondants weren't asked the size of their budgets. He says, however, it's easy to see that a vastly larger group of suppliers are scrambling for the same percentage of dollars.

"The industry has become highly sophisticated," he says. "At the same time, end users are a lot more selective in the use of that industry."

Most suppliers have already experienced the effect of this firsthand, if only through increased concern from clients about maximizing research results. And they agree that change is in the picture for the future.

"A lot of research companies are going to disappear and others are going to have to change the way they do business," says Arthur Oken, chairman of ParaTest Marketing in Eastchester, N.Y., which is now looking at adding computer capabilities and scanner services to its service line. "A lot of corporations are going to expect more of their research supplier and there is going to be more of a trend toward [the use of] computers."

Companies will be putting even more emphasis on profitability—and where a new product contributes to this. Donald Ritter, vp-manager of grocery services for Nielsen's Marketing Research Group, USA, said that "companies are definitely moving into more financial management and strategic planning."

Marketing risks are greater and a company's marketing plan will have to be put to the test. "Strategic planning," says Mr. Ritter "[will make] marketing of a product as productive as possible." He sees a lot of testing going on with already existing brands: They too will have to try harder in the future.

Both Mr. Ritter and Harlan R. Janes, vp-manager of health and beauty aids/drug industry services at Nielsen, were enthusiastic about the area of promotional testing.

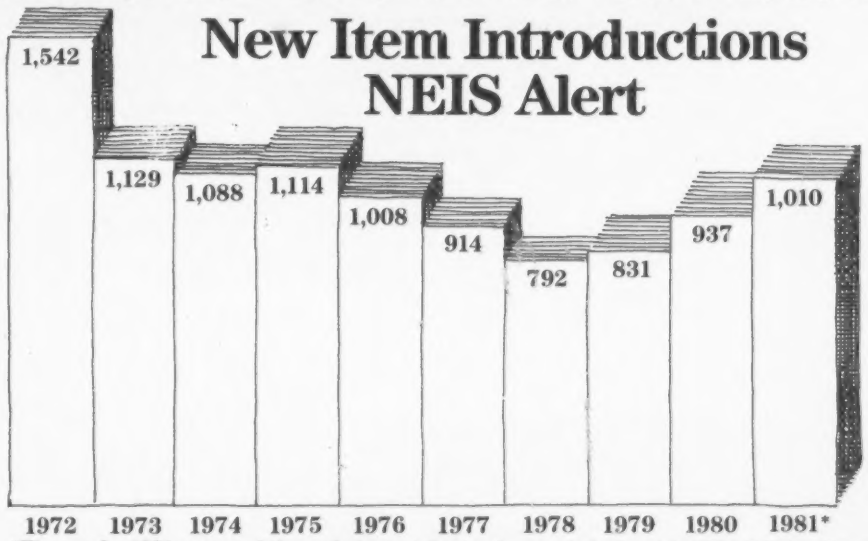
According to Mr. Janes, "Trade promotion dollars are needed to keep interest in a product. Scanning technology can measure the effectiveness of a promotion week by week. It's a new strength the industry has."

Mr. Ritter adds, "You can isolate your individual promotions; You can tell whether you've built your business or if you've just gone back to the same repeat buyers."

In fact, the companies that appear to be most bullish on the future supply scanner data.

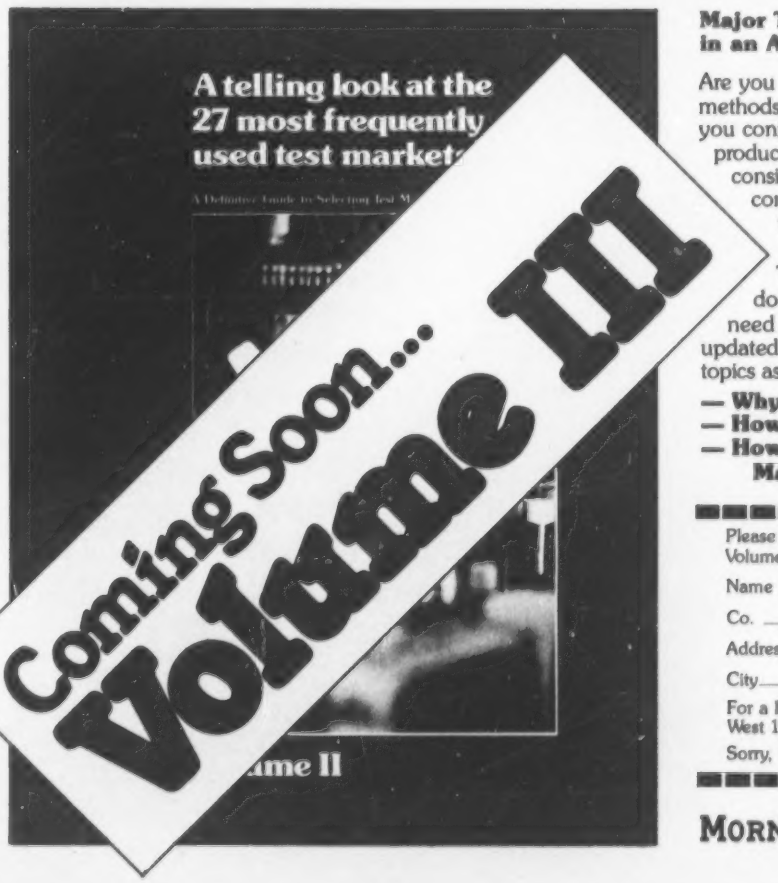
For instance, Gian Fulgoni, president of Information Services Inc., in Chicago, which markets BehaviorScan, says his company's business doubled last

(Continued on Page M-40)



*Figures for 1981 averaged through August-September period. Copyright 1981 A.C. Nielsen Company

Wondering where to test your new product?



Major Test Markets Compared! Reserve Your Copy Now of Our 3rd in an Award Winning Series of Publications comparing Test Markets.

Are you questioning market testing methods, cities, demographics? Are you confused by reports on past product tests and are now considering your own time consuming research to find the market that is right for you?

The reliable information and documented statistics that you need will soon be available in an updated study that covers such topics as:

— **Why Test**
— **How To Set Up Your Test**
— **How To Choose Your Market based on:**

1.) **Market Size**
2.) **Demographics**
3.) **Media Availabilities**
4.) **Media Isolation**
5.) **Control & Audit**

This study also includes valuable data on the most popular test markets and how they compare to the national profile in population, effective buying incomes, retail sales, demographics and ADI and SMSA costs, coverage and ratings for broadcast and print media.

This free brochure includes all of the above information plus much more. Send in the coupon below to receive your copy.

Please reserve me a free copy of your test marketing brochure. Volume III will be available in April.

Name _____

Co. _____

Address _____

City _____ State _____ Zip _____

For a Free Copy Write to Mr. Gerald Szorek, Times Publishing Co., Times Square, West 12th & Sassafras, Erie, Pa. 16534.

Sorry, Volumes I and II are no longer available.

MORNING NEWS · ERIE DAILY TIMES · Times-News

Represented by Landon Associates

Whither?

(Continued from Page M-39)
year and he expects it to do the same in 1982.

Suppliers of other services generally report that 1981 was a good year, though those who provide the increasingly expensive controlled instore testing services were more subdued in their estimates for 1982.

"We see more measured dollars," says Lou Babic, president of Erhart and Babic, Englewood Cliffs, N.J. The company is looking at the possibility of providing scanner services. "We see it getting more competitive for test marketing dollars."

Adds Jack Abrams, president of Market Facts in Chicago, "Our volume is up marginally from a year ago and we see no reason to expect a substantial change. We're only one of a number of companies offering this service." Burgoyne Inc. and Burke Marketing Services, both Cincinnati-based companies offering controlled instore testing services, reported slower growth.

Regardless of the kind of year they had or are expecting, test marketers are seeing other trends that promise to have a significant effect on their future. One most often noted is the tendency among clients to look for immediate profits.

"Corporations are not allowing themselves sufficient time to develop new products," says ParaTest's Mr. Oken. "Their interest is in short-term profits."

Adds Nielsen's Harlan R. Janes, "There's an urgency today to make everything happen very quickly, both because of the costs involved, but also because the competition is quicker on its feet." What this attitude translates into, say suppliers, is a change in the form new products will take. "We see a trend to more line extensions and me-too type products that overall involve less risk and a trend away from the innovative products that involve more risk," says Andrew Tarshis, president, package goods division of NPD Research, New York.

This view is substantiated by the Booz Allen survey, which shows that over the past five years, more than 50% of all new product introductions were actually additions or revisions to existing product lines, while only 10% were "new to the world products" and 20% were new product lines.

This trend, coupled with concern over costs and speed, is having another effect on testing practices. Though not as pronounced as the tendency to market line extensions over entirely new products, suppliers of simulated test markets, such as ASSESSOR, COMP and ESP, say they see a few companies jumping right into regional, or even national introduction without going through the traditional controlled test market phase.

Though some, like ParaTest's Mr. Oken, think this step is nothing short of suicidal, market research directors who are doing it say they are pleased with the process. General Mills is happy about the results it has had.

"As far as we're concerned, there is no recession," says Boyd Snedden, General Mills research director for cereal and grain products. "And, yes, we use test marketing where it will make sense. But rather than a formal test market, we will roll out regionally."

Mr. Snedden cautions that the company doesn't take this tack unless pretesting, through simulation models or other services, has shown the company that the risks are manageable.

Mr. Snedden's counterpart in General Mill's new business division, Robert Bondurant, stresses that although the company's test marketing decisions don't hinge on day to day fluctuations in the economy, they are affected by the increasing cost of capital. That, coupled with better marketing research technology, often leads him down the same road as Mr. Snedden.

Market research directors at other companies who don't own up to having instituted the practice still couch their discussions in terms that suggest that if the situation were right, they too would be off and running on a regional rollout.

At Quaker Oats, for instance, John Blair, director of marketing research for human foods, says his testing decisions are based on a determination of how much risk is involved. And though hard times dictate more rather than less caution, the amount of risk he's willing to take varies from product to product, from situation to situation.

"The cost of doing marketing research continues to go up," he says. "I want to be careful that I spend money wisely and on the right things."

Adds Larry Stanek, market research director at Kraft Co., "We've used all types of testing services. The proper one to use depends on the situation."

Although executives on both sides of the aisle—suppliers and users alike—say they aren't sure where the new technologies and economic climate are taking them, most, like Nielsen's Mr. Janes, are convinced that for better or worse the field is changing permanently.

"I was serving clients in the recession of '73 to '74," he reflects, "and they reacted then in a knee-jerk sort of way. Everybody withdrew, trying to figure out what was going to happen. Eventually things got back to normal, but then we had the recession of 1977, followed by a prime rate of 18% to 20%. At this point, companies don't have a knee-jerk reaction anymore. Now, they accept the high cost of capital as a way of life and unhappily, they know they have to learn to live with inflation."

Indications are that the coming year will challenge both suppliers and users of test marketing. One executive compared the scene to a chess game: Strategy will make the difference. AA

THE BASES SYSTEM

REDUCES THE RISK...

OF NEW PRODUCT DEVELOPMENT

New product development is a very risky business. And the odds in favor of new product success are low.

Traditional product screening techniques provide companies with an abundance of data in the form of attitudinal measures. Unfortunately, these results often fail to answer the fundamental question of whether or not a new product has the volume potential to meet a company's minimum business requirements. That's why leading consumer products companies are using BASES to reduce the risk and lower the cost of new product development.

The BASES system is specifically designed to accurately estimate sales volume potential. BASES takes into account variables that affect sales and provides valuable diagnostic insights obtained from the more traditional concept and concept/product tests. And BASES is a comprehensive system composed of separate, distinct phases: BASES I is a concept test to estimate Year 1 trial rate potential; BASES II is a concept/product test to evaluate sales volume potential; BASES III is an in-store test utilizing packaging and advertising; and BASES IV is a test market monitor that also allows estimations of revised marketing plans. BASES can, in fact, simulate the effects of alternate marketing plans at any stage of your new product development.

So don't gamble away a good bet!

Reduce the risk, lower the cost, and shorten the time of new product development with BASES. Call for literature and more details today.

Burke MARKETING SERVICES, INC. BASES • MARKET AUDITS • ADTEL • BURKE MARKETING RESEARCH

Bases

4000 Executive Park Drive
Cincinnati, Ohio 45241
(513) 563-6600

If you're tired of the same old subscription packages, why keep going back to the same old suppliers?

Try somebody new. Call 617-739-2400, and ask for Harvey or Marcia Cinamon. Tell them you need a change. They will do the rest, from concepts through mailing.

Skeptical you can get top-quality talent and service outside the Big Apple? Then do what every good direct marketer should do: test.

Call today.

CINAMON ASSOCIATES INC.

DIRECT MAIL/MARKETING
DIRECT RESPONSE ADVERTISING

29 HARVARD STREET, BROOKLINE, MA 02146
(617) 739-2400

COMMENTARY CORNER

By Gerald Schoenfeld

A lost art

By Gerald Schoenfeld

Yes, we still place our test products in Fort Wayne and Syracuse. And we still call it "test marketing," but what are we really testing for?

Spending levels, promotion plans, pricing—you hear a lot about ironing out the kinks in the plan. What you seldom hear in market tests today is the answer to what used to be the $64,000 question: "Can we make money on this or not?"

Why is success or failure seldom the issue anymore in test marketing?

"Laboratory sales tests," say some marketers, "are often the answer."

Some claim that an ASSESSOR or a Yankelovich LTM (simulated test marketing models) can accurately duplicate test market conditions and predict a new product's performance in the "real world" at a fraction of the cost without tipping off the competition.

But can they really duplicate the marketplace?

"They can help you get it all together," says Leon Joffe, product manager for new products at Alberto-Culver. "They can act as a disaster check. They can keep the competition from stealing your idea while you test. But, if you've got a unique product the competition can't easily steal, you can't match the actual marketplace. It costs a lot more, but it's worth every penny to test for success or failure in the real world."

Yet, rare indeed is the test market manager willing to wrap up his $375,000 venture and call it a failure.

Instead, there are many companies willing to commit vast sums of money to questionable new products on the basis of considerations having little to do with preliminary screening:

- We need the volume. Short-term considerations, quarterly earnings statements and other management considerations play an increasingly important role in the go or no-go decision.
- Somebody upstairs loves it. When it is known that a test product is a pet idea of an important member of management, no one wants to be identified with putting the concept to rest. Instead, it is pushed along until it falls of its own weight. Even then, the executive is likely to claim that the pet project "never had a chance."
- Who's to blame? Every product that fails to survive the test market is "somebody's fault." By declaring the test market "successful," the placing of blame is avoided. Later, when the product rolls up big losses in national introduction, the finger can be pointed to a whole new set of characters:
- "They didn't follow the test market plan."
- "The sales department fell down on the job."
- "Management cut back on spending," etc.

Test marketing is so expensive today, many executives have fallen back to the old term "vitality test" which has a nice ring to it, sounding worthwhile and robust.

"We know we're not going to spend $34,000,000 nationally," they say. "We just want to see how high is up—what's the optimum in sales. Move enough product to get a better fix on promotion, pricing etc."

A brand group is created and fully staffed so that now a relatively large number of people have a stake in the continuation of the project, which seems to have a life of its own. Instead of projectable spending, distribution and promotion activity, test markets are handled as showcases to convince management that the decision to roll out is a wise one.

Instead of adhering to an advertising and promotion budget that is affordable on an expanded nationwide basis, double and triple budgets are common today in "test" markets. The theory is to spend so much in the test market that you get ample opportunity to iron out all the kinks in everything from product to ad campaign. A giant company can afford to use the inflated test market budget as a means to force the competition to tip its hand, but not all have the resources, the patience, the technical capability to play this vitality test market game.

To get their test products into distribution fast, companies may offer incentives to the trade and to their own sales force, which cannot be duplicated on

(Continued on Page M-14)

Gerald Schoenfeld is president of Gerald Schoenfeld Inc., New York, a company that specializes in creating and marketing new products and restaging existing brands. Mr. Schoenfeld has won several advertising awards and is the author of the recently published book "Schoenfeld's New Product Success Book."

MASS. TEST

...at a small cost

When you test-market in Springfield, Massachusetts it won't cost a lot to find out if you've got a winner or not.

We're the right size . . . an SMSA population of 399,000 and an ADI population of 537,000.

We've got one-buy media coverage . . . 85% net reach of the SMSA and 61% daily ADI household coverage by the Springfield Newspapers

We're isolated . . . less than 7% spill-in from any non-ADI newspaper.

Springfield is a city you can get a handle on. Just ask Kraft, Ford, General Foods, Heublein, Polaner, or the many others who have tested here.

Call today for our fact-filled study of the Springfield market.

Call Dwight Brouillard, **(413) 788-1108** or your Newhouse representative.

The Springfield Newspapers

Largest in Massachusetts Outside Boston Represented by Newhouse Newspapers

Make it in Massachusetts

SALES AID
TRADE SHOW TRAFFIC BUILDER

Luggage tag laminator seals promotional messages with business cards in clear plastic. Low cost lasting exposure. Laminators only $195.00.

DON Corporation, 86 Stafford Ave., Box 445, Manahawkin, NJ 08050 609-698-5565

Lost art

(Continued from Page M-12)

an expanded, national basis. Special sales meetings are held, pep rallies, contests—all to sell a product in an area representing perhaps 2% of the national sales area. Or, to assure distribution, controlled distribution services are used that guarantee distribution in test market. What happens nationally is another matter.

To get movement, companies will often depress the retail price of test items below the profit level. Such "introductory" offers are designed to convince mangement that the *a priori* decision to roll out the test product was a wise one. Sometimes these introductory offers are justified on the basis of combating intensified competitive efforts in the test area. Devices to disrupt test market results, are intended to make you employ expensive countermeasures.

Unfortunately, the end result is to vitiate the usefulness of the test market.

A predicament with "catch-22" overtones has entered into test marketing. The test market has too often been turned into an arena for solving trade problems, manufacturing capacity and determining competitive spending levels. National expansion is considered inevitable and when it occurs, if failure follows, it is frequently viewed as a budgeting miscalculation. Companies that are determined to go national no matter what have, in effect, written off the consumer as the arbiter of success or failure. Now it is the bookkeeper who is to blame. Not the people who conceived the product, nor the people who failed to promote it successfully.

Yet the cost of such failure should give all companies pause. If test marketing has become too expensive to enter into with any product that is not already slated for bigger things, then national expansion has become far too expensive for such untested entries. Products are being introduced nationally that have never sold at a profit in an open test market. With consumer acceptance taken for granted, these products are put into test market only to answer questions of trade relations or budgeting.

All of this is consistent with the widespread cynical view of consumers so prevelant today. They are not considered creative; they are not to be listened to seriously, but rather to be analyzed, segmented, measured, manipulated. Typically, consumers are not trusted with whole products, but are presented with selected characteristics, given "blind" products to use. Finally, the last opportunity to check the consumer at the point of sale has become a numbers game.

As things get tougher, smart marketers will get more patient and put the conceptual work with the consumer into the foreground where it belongs.

Instead of rushing undeveloped ideas into quantitative tests, more careful work up front is needed.

In my own work, this checklist has been helpful:

- Start with a wider range of ideas.
- Don't expect to get it right the first time. Don't make your consumer probes "one-shots." Instead of asking what was the winner, ask "What did we learn?" Then go back again.
- Beware the breakthrough syndrome. The greater the change in habit or idea, the more reluctant consumers are to make it. The more information you ask people to absorb, the longer it takes them to absorb it.
- Don't save the chocolate and the strawberry. If the people who invented ice cream had introduced only vanilla, they would have been vulnerable to the first guy to introduce chocolate. Try to develop your full line at the beginning. AA

Recommended test markets

(List from Paratest; cities are recommended for conducting controlled market studies—36 "B" county tv metro test markets)

	Households	
	ADI % of U.S.	Primary county(s) (000)
Northeast		
Binghamton, N.Y.	.19	81
Erie, Pa.	.17	89
Johnstown, Pa.	.34	65
Portland, Me.	.37	74
Syracuse, N.Y.	.45	165
Wilkes-Barre, Pa.	.59	209
East Central		
Evansville, Ind.	.29	57
Fort Wayne, Ind.	.27	101
Lexington, Ky.	.30	68
South Bend, Ind.	.33	81
Toledo, O.	.53	176
West Central		
Davenport, Ia.	.39	113
Des Moines, Ia.	.44	110
Duluth, Minn.	.22	82
Green Bay, Wis.	.44	58
Madison, Wis.	.25	123
Omaha Neb.	.42	148
Peoria, Ill.	.29	74

	Households	
	ADI % of U.S.	Primary county(s) (000)
Southeast		
Charleston, S.C.	.21	86
Charlotte, N.C.	.72	139
Chattanooga, Tenn.	.35	112
Jacksonville, Fla.	.43	202
Knoxville, Tenn.	.48	111
Little Rock, Ariz.	.54	124
Savannah, Ga.	.20	64
Southwest		
Baton Rouge, La.	.26	118
Beaumont, Tex.	.20	90
Corpus Christi, Tex.	.18	81
Lubbock, Tex.	.18	73
Oklahoma City, Okla.	.69	220
West		
Bakersfield, Cal.	.13	109
Eugene, Ore.	.19	101
Fresno, Cal.	.43	169
Salt Lake City	.60	185
Spokane, Wash.	.39	125
Tucson, Ariz.	.27	177

You Just Can't Find A More Representative TEST MARKET Than NASHVILLE!

Nationwide surveys rank Nashville as one of the most representative test markets of all major American cities. Nashville's demography is almost identical to the national averages in age, education, income and other categories, prompting national advertisers such as Coca-Cola, Frito-Lay, McDonald's, Pillsbury, Kroger and Genesco to choose Nashville as a test market center for their research.

Besides offering a diversified sampling of national tastes, lifestyles and buying habits, the Nashville market has a wide area of countryside and small towns protected from outside media influences. And Nashville does all this with a healthy, stable economy.

Conduct your research in Nashville. You'll never have a more controlled environment for your products and campaign testing.

Nashville, Tennessee SMSA
(Davidson, Cheatham, Dickson, Wilson, Williamson, Sumner, Robertson and Rutherford Counties)

1981 Estimates*

Population Characteristics	U.S.	Nashville SMSA
Sex: Male	49%	48%
Female	51%	52%
Age: Under 18	28%	28%
18 to 24	13%	13%
25 to 34	17%	17%
35 to 44	12%	12%
45 to 54	10%	10%
55 to 64	10%	9%
65 and older	11%	10%
Median Age: Male	29.2	28.8
Female	31.6	31.2
Economic Characteristics		
Households by Effective Buying Income (E.B.I.):		
Under $10,000	25%	25%
$10,000-$14,999	13%	14%
$15,000-$24,999	28%	28%
$25,000-$49,999	29%	28%
$50,000 and over	5%	5%
Median Household E.B.I.	19,146	18,772
Average Household EBI	22,151	21,710
Per-Capita Household E.B.I.	7,940	7,786

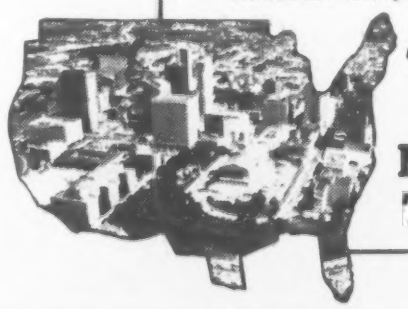
* SOURCE: *Sales & Marketing Management — 1981 Survey of Buying Power*

NEWSPAPER PRINTING CORPORATION, Agent
THE TENNESSEAN
Nashville Banner

SMSA ADULT READERSHIP
Daily Combination 60% Sunday 74%

FOR ADDITIONAL INFORMATION: Contact Bill Davis, Research Director - 1100 Broadway - Nashville, TN. 37202 or call (615) 255-1221 ext. 212

Represented Nationally by: Gannett Newspaper Advertising Sales



Test Market U.S.A. NASHVILLE, TENNESSEE

C 2710-1 3/82

Advertising Age

®

© Entire contents copyright 1982 by Crain Communications Inc. All rights reserved.

$1 a copy; $40 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *March 1, 1982*

Tropicana plants full-line strategy

By NANCY GIGES

ST. PETERSBURG BEACH, FLA.—Richard Walrack's intent to make Tropicana Products a more competitive marketer is quite obvious even though he's headed the Beatrice Foods subsidiary a mere few months.

To that end, he's not opposed even to knocking products marketed by a sister company. Commercials for Tropicana Chuggers, a new line of shelf stable, single-serving juices, include the phrase, "Chuck the soda," a direct attack on product sold by a relatively new Beatrice unit, Coca-Cola Bottling Co. of Los Angeles.

Those commercials use the Beach Boys singing group encouraging viewers to "Chug a Chugger." But they may never find their way to the nation's airwaves, since the tv networks have already expressed doubts about the acceptability of the "Chuck the soda" phrase.

But whatever commercial eventually surfaces—for that new item or any other Tropicana product—it will be more aggressive and given more weight under the new chief's direction. Spending this

(Continued on Page 74)

AD BUDGETS JUMP DESPITE ECONOMY

Big push on in foods

By JANET NEIMAN and NANCY GIGES

ST. PETERSBURG BEACH, FLA.—Commitment to increasing advertising and marketing expenditures, even in today's sluggish economy, was a message that came through loud and clear from food and beverage marketers at the Consumer Analysts Group of New York conference here.

The heightened marketing and new product efforts shone through the outlook for continued economic gloom that was predicted. Top officers of the consumer products companies generally forecast 5% to 7% inflation through calendar 1982, and a prolonged period of 15% to 16% interest rates that they said could last another 18 months.

Most companies pointed out that their marketing emphasis also includes stepped-up efforts to add new products to their lines, with several major new items expected to go into test or wider distribution this year. Highlights from the meeting include:

- Consolidated Foods' Shasta soft drink subsidiary is set for an 86% hike for its next fiscal year beginning June, 1982. It is near an acquisition of C&C Cola from ITT.
- Kraft Inc. will increase advertising for its real mayonnaise and is testing new salad dressing products.
- Heublein's domestic Kentucky Fried Chicken unit will get a 33% boost in national advertising this year as store contributions rise from 1.5% to 2% of sales, though the redistribution of local funds will probably result in a decline in local advertising. *(See story, Page 6.)*
- PepsiCo last year hiked ad spending in its foodservice division 71%, and is making some marketing strategy changes in its Pizza Hut unit.
- CPC's Best Foods division is looking to repositioning of its product mainstays as a growth strategy.
- General Mills is concentrating most of its capital expenditures in the consumer foods and restaurant divisions.
- Pillsbury officials said the company is working on acquisition possibilities in all areas of its busi-

(Continued on Page 74)

Industry off target on 'fairness'—FTC

By RICHARD L. GORDON

WASHINGTON—Key members of the American Advertising Federation lobbied hard for their top congressional objective this year—elimination of "unfairness" authority from the Federal Trade Commission Act—but found FTC consumer protection chief Tim Muris a hard sell.

Mr Muris, whose views are known to be highly regarded by FTC chairman James Miller III, a Reagan appointee, implied that AAF's emphasis on getting "unfair" out of the law is off target.

He suggested the industry's real problem stems from FTC's broad power to define deception. Several bills that Congress will consider this month have provisions narrowing FTC's jurisdiction over both unfairness and deception, and his comments to AAF may be a tip-off that they will get some form of support from the Reagan people at FTC.

The adpeople, still furious over the bitter children's tv advertising fight, argued that the industry will live in jeopardy as long as FTC has the power to use the undefined "fairness" standard to judge advertising and marketing practices. But Mr. Muris countered that eliminating FTC's unfairness power from the law may not be the panacea advertisers have hoped for, and said that unfairness, properly limited, has "some usefulness" for FTC.

AAF's meeting with Mr. Muris reflects only part of stepped-up activity by ad associations, the Chamber of Commerce, the National Assn. of Manufacturers and others hoping to convince Congress to continue the shrinking of FTC's powers that began in 1980.

Senate hearings opening March 16 will consider the commission's current authority and debate renewal of its operating charter, which expires Sept. 30. Parallel House hearings are expected to be scheduled shortly.

Some of FTC's critics in the Senate and House have already introduced bills; the Chamber, NAM and ad associations are putting final touches on proposals they will offer.

■ The new, conservative management team at FTC has yet to reveal its legislative strategy, but chairman Miller delivered his first challenge to Congress in a speech last week declaring he's ready to fight political pressure to exempt doctors, lawyers, other professionals and their trade associations from FTC jurisdiction. Appearing before the D.C. Bar Assn. antitrust committee, the chairman said he will "strenuously" oppose such a "special dispensation for this or any other group." But he said his willingness to fight is linked to an assumption that Congress "will redefine—and narrow" FTC's authority.

The last time Congress battled over authorizing FTC, it compro-

(Continued on Page 76)

last minute news

P&G expanding Solo into major markets

CINCINNATI—P&G is moving Solo heavy-duty liquid detergent with fabric softener into added markets of Chicago, Des Moines, Detroit, Indianapolis, Milwaukee, Newark, New York and Philadelphia. DFS handles.

General Mills tests Betty Crocker oven rice

MINNEAPOLIS—General Mills is testing Betty Crocker Saucy Oven Rice in au gratin, artificial chicken flavor and Spanish-style varieties in Marion, Ind., and possibly other markets. The product is positioned as the rice with "sauce that bakes right in." Agency is Campbell-Mithun, Minneapolis.

Talks fail, Wildmon to name boycott target

TUPELO, MISS.—CBTV chief Donald Wildmon Friday said talks with tv advertisers have failed (AA, Jan. 25) and that he'll name one company as a consumer boycott target at a March 4 press conference in Washington.

GM vows 'every support' for big spring push

CHICAGO—General Motors will mount a "full court press" for spring sales and will spend more ad money "if that's what it takes," chairman Roger Smith said. He didn't rule out a continuation of rebates, saying "we will give our products every support in the marketplace." He told a press

(Continued on Page 8)

NEWSPAPER

AA
DC2001ACONGLI FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Chiat in U.K. link

By BRIAN OLIVER and JOHN REVETT

LONDON—Chiat/Day of Los Angeles and Collett Dickenson Pearce here—two ad agencies known for their creativity—last week decided to pool their resources through a new, jointly owned company which is likely to go after multinational accounts.

The company has not been given a name yet, but it probably will be called Chiat/Day-CDP or CDP-Chiat/Day and be based in New York, either separate from or as part of Chiat/Day's existing office.

The joint operation will be used by both agencies as a global "swap shop" and will control the ex-

(Continued on Page 72)

Skin tome

Yardley of London's new aloe vera line will be supported by a print campaign from Bozell & Jacobs (AA, Feb. 22) taking an educational approach.

How to make your skin the best it can be.

Aloe. It's been used for centuries to help beautify, protect and heal the skin. And now, Yardley has created three special Aloe formulas to help make your skin more beautiful, no matter what condition it's in.

For damaged skin. Aloe 70.
An intensified cream, with 70% pure Aloe Vera gel. Use it whenever you have a special skin problem. Or to help skin damaged by overexposure to the sun, wind or cold.

For rough, dry skin. Aloe 50.
A nourishing lotion, with 50% pure Aloe Vera gel, plus special emollients, to help restore smoothness. A natural moisture to any skin area that is rough or dry.

How to keep it that way.

For healthy skin. Aloe 30.
An all-over body lotion, with 30% pure Aloe Vera gel blended with natural moisturizers. Use it everyday to help keep your skin as healthy and beautiful as it can be.

For healthier, more beautiful skin, Yardley has your number.

TAKE-OUT BOOM FORECAST

Fast-fooders don't like it, but discounts work

By RICHARD KREISMAN

MIAMI BEACH—The escalating discounting of product prices in the fast-food industry through couponing, games and other methods, an anathema to many industry leaders, apparently is working.

In a survey presented to foodservice executives meeting here, it was demonstrated that chains engaged in this type of dealing have outpaced their competitors in sales and traffic. These chains showed real growth in the past two years, when the industry was flat or slightly down.

The study, however, did not address how the dealing affects company profits.

■ The number of major chains which show 20% or more of their transactions involving a promotion has doubled, up from 12 to 24 in the 1976 to 1981 period, according to a survey by GDR/CREST Enterprises. The Rosemont, Ill., industry tracing service revealed its findings at the International Foodservice Mfgs. Assn.'s (IFMA) Chain Operators Exchange. Like their counterparts in the grocery industry, fast-food marketers increasingly are shifting advertising media funds to promotion spending.

Promotional sales now account for almost 10% of total industry sales, the survey showed.

The dealing activity is resulting from continuing sluggishness in the industry and a stepped-up market share battle for the declining customer base.

Industry executives here were not optimistic about prospects for the coming year, citing consumer pessimism over the economy and decreasing disposable income. Most observers predicted another flat year for fast-food. But some others suggested some real growth is possible.

"Consumer attitudes are in a state of limbo," said George Rice, GDR/CREST president. The keys to the upturn are short-term variables: Disposable income, cost of goods and travel barometers.

The long-term outlook is brighter, contended Lawrence Chimerine, chairman of the board, Chase Econometrics. He told the fast-food operators that unlike earlier downturns in the mid and late 1970s, consumers are not hampered by rising gas prices and uncontrolled inflation. "If the budget deficits are revised and interest rates stabilized—and these are two big ifs—the opportunities will be better now than in many years," Mr. Chimerine said.

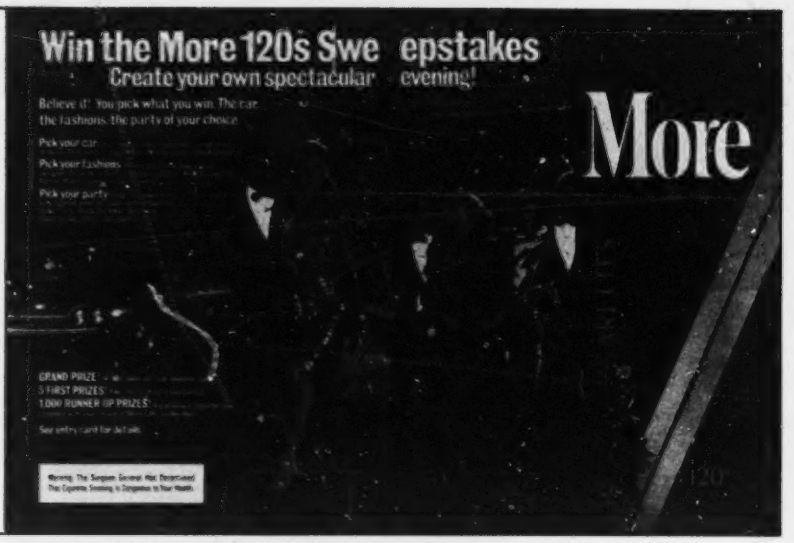
The biggest factors in the "extremely favorable outlook" will be a "very sharp rise" in purchasing power and disposable income, lower unemployment and a "dramatic slowdown" in food and labor costs. An oil glut, continuing increase in two-income families and an aging consumer base accustomed to eating out, also will contribute to an industry surge by the mid-1980s, he contended.

For now, however, chains and independent restaurant operators

(Continued on Page 74)

Stylish smoke

R.J. Reynolds this month begins a sweepstakes for More 120s cigarets, with grand prize a choice of car, designer fashions and party to "create your own spectacular evening." Advertising is handled by Leber Katz Partners, New York.



Says JWT syndie sales near $11 million

Luisi lawyer responds

By CHRISTY MARSHALL

NEW YORK—Marie Luisi, J. Walter Thompson Co.'s recently deposed senior vp-head of JWT Syndication & TV Spot Sales, can account for $10,750,000 in legitimate syndication sales for 1980, according to her attorney.

The company contends that during the past four years, $24,500,000 worth of fictitious sales were entered into the syndication unit's computer (AA, Feb. 22).

"We don't know about any $24,500,000," said attorney Ivan Fisher. "We know about $10,750,000 for 1980. We were able to look at some numbers and figure that out." The numbers were from Donovan Data Service material, according to Mr. Fisher.

However, Dave Solomon, exec vp, Donovan Data Systems, denied that either Mr. Fisher or Ms. Luisi obtained such records from his company. He refused to say whether JWT had sought his company's assistance in the matter; an agency spokesman said he didn't know if JWT consulted Donovan.

Donovan's system, used by many agencies, is linked to spot buying and syndication unit computers. Agencies, JWT among them, feed information of their various buys into the computer and get daily printouts for their records. Mr. Solomon said the computer has no way of knowing the validity of those entries.

The company and Ms. Luisi have still not met since JWT disclosed the extent of its "irregularities." Ms. Luisi's attorney is keeping her under tight wraps and JWT's counsel is still requesting that Ms. Luisi return some record books that she took home with her. Mr. Fisher has said that she will not comply with that request.

While various legal recourses are being discussed, no legal actions have been taken, according to Mr. Fisher and Don Deaton, J. Walter Thompson's senior vp-communications. The JWT Group board meets March 2, and may consider legal action then. There have been no stockholder actions taken against the directors, Mr. Deaton added.

Now that JWT Group has disclosed the findings of its audit and appears satisfied that the "cancer has been cut out," as Mr. Deaton put it, the advertising industry is waiting for the next shoe to drop, possibly by angry clients.

Of JWT's list of blue-chip clients, however, Ford, Kodak and Warner-Lambert all expressed anew their confidence in their agency last week and said they had no plans to go over the JWT books to study the buys, the shows or the syndicated unit. Other companies, like Burger King Corp. and Lever Bros., declined to comment. Several company spokesmen said it was an internal matter at Thomp-

(Continued on Page 72)

highlights

Monday, March 1, 1982

Savings & loans gather to learn marketing tips for survival. *See Page 10.*

Toys inspired by tv rivaled numerous military entries in the 79th American Toy Fair. *See Page 14.*

Health & beauty aids marketers were busy with new products last month. *See Page 18.*

The U.S. camera market is getting ready for an assault, as Fuji is expected to announce worldwide distribution of its instant camera. *See Page 28.*

American Can. Co. is readying a new campaign for its Northern bathroom tissue. *See Page 31.*

United Airlines is making a name as the only major domestic airline in the overnight package delivery business. *See Page 39.*

Import car dealers and their ad groups have DANDY advertising, as shown in two National Automobile Dealers Assn. convention ad competitions. *See Page 50.*

Aramis Inc. continues its tv push while it changes its Father's Day approach. *See Page 52.*

Pizza Hut is cooking up a plan emphasizing local marketing to keep up its growth. *See Page 55.*

To soccer lovers, the World Cup provides a foretaste of heaven—and marketers are drinking it up. *See Page 56.*

CORPORATE CLOSEUP

Gillette Co. has been focusing its attention on women for a change, and as a result currently is in command of a most successful new product track record. *See Page 4.*

FOLLOWUP

The founder of Intro, a magazine devoted to bringing eligible men and women together, has inspired a proposed CBS-TV series. *See Page 62.*

VIDEOTECH

Cable has proven to be a "lifesaver" for direct response advertisers. *See Page 44.*

Mexico's private media monopoly is making an offer to 23 tv advertisers that is creating a stir among their agencies. *See Page 44.*

Former NBC-TV Network president Bob Howard announces new United Satellite TV service for cable systems, hotels and apartment houses. *See Page 46.*

Magazine

Ten years ago, at a time when fledgling black-owned advertising agencies found themselves the recipients of so-called "conscience money" from clients, Chicago's Tom Burrell said "no, thanks," to handouts, preferring to build a reputation based on quality and performance. Now, a decade later, Burrell Advertising is enjoying the fruits of its success, numbering among its accounts McDonald's and Coca-Cola. Today's issue of the new ADVERTISING AGE Magazine profiles this black-owned agency and traces its steady growth.

The Magazine also presents excerpts from the best selling "The Trouble with Advertising," by John O'Toole, chairman of Foote, Cone & Belding Communications, plus columnist James Brady.

The Section 2 Special Report focuses on toiletries and beauty aids, with emphasis on skincare products, the industry's one area that has shown recent growth.

REGULAR FEATURES

ACCOUNT CHANGES	26	OBITUARIES	55, 72
ADBEAT	54	PHOTO REVIEW	24
ADVERTISING MARKETPLACE	63	PRESSTIME	8
AGENCY PEOPLE	68	REGIONAL NEWS	32
CON-SID-ERATIONS	16	SIDEBARS	34
CORRECTIONS & CLARIFICATIONS	6	VIDEOTECH UPDATE	42
EDITORIAL VIEWPOINT	16	VOICE OF THE ADVERTISER	60
FOR THE RECORD	75	WEST COAST UPDATE	59
GETTING PERSONAL	20	WORLD NEWS ROUNDUP	3
NEW PRODUCTS	18		

Vol. 53, No. 9—ADVERTISING AGE (ISSN 0001-8899) is published weekly except semi-weekly the fourth week in March, the second week in September at 740 Rush Street, Chicago, IL 60611. Second-class postage paid at Chicago and additional mailing offices.

Fox fare pay off in collateral

By MAURINE CHRISTOPHER

From the world of Nielsen triumphs to the world of high finance.

That's the path 20th Century-Fox's "M*A*S*H" and its spinoff, "Trapper John, M.D.," traveled recently as collateral for a fresh $500,000,000 capital package. Fox is borrowing the money from a group of banks headed by Chicago's Continental in the first major refinancing for the Beverly Hills movie company since oilman Marvin Davis bought it last year for about $700,000,000. In short order he transformed Fox into a private company called TCF Holdings, with himself as chief shareholder.

The use as collateral of present and future episodes of tv properties is common in television, but the amount of money involved in this deal does appear to be impressively large, industry sources point out.

"M*A*S*H's" record as a standout performer in theaters and tv is striking enough to impress any banker. The 10-year-old weekly CBS-TV series currently is tied for eighth place in the season-to-date Nielsens with a 22.6 rating and a 32

(Continued on Page 76)